

House File 2323 - Introduced

HOUSE FILE 2323

BY COWNIE

A BILL FOR

1 An Act reducing the individual income tax rates and including
2 effective date and applicability provisions.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.5, subsection 1, paragraphs a
2 through i, Code 2014, are amended to read as follows:

3 a. On all taxable income from zero through one thousand
4 dollars, ~~thirty-six~~ thirty-two hundredths of one percent.

5 b. On all taxable income exceeding one thousand dollars
6 but not exceeding two thousand dollars, ~~seventy-two~~ sixty-five
7 hundredths of one percent.

8 c. On all taxable income exceeding two thousand dollars
9 but not exceeding four thousand dollars, two and ~~forty-three~~
10 nineteen hundredths percent.

11 d. On all taxable income exceeding four thousand dollars
12 but not exceeding nine thousand dollars, four and ~~one-half~~ five
13 hundredths percent.

14 e. On all taxable income exceeding nine thousand dollars
15 but not exceeding fifteen thousand dollars, ~~six and twelve~~
16 hundredths five and fifty-one hundredths percent.

17 f. On all taxable income exceeding fifteen thousand dollars
18 but not exceeding twenty thousand dollars, ~~six and forty-eight~~
19 five and eighty-three hundredths percent.

20 g. On all taxable income exceeding twenty thousand dollars
21 but not exceeding thirty thousand dollars, six and ~~eight-tenths~~
22 twelve hundredths percent.

23 h. On all taxable income exceeding thirty thousand dollars
24 but not exceeding forty-five thousand dollars, seven and
25 ~~ninety-two~~ thirteen hundredths percent.

26 i. On all taxable income exceeding forty-five thousand
27 dollars, eight and ~~ninety-eight~~ eight hundredths percent.

28 Sec. 2. EFFECTIVE DATE. This Act takes effect January 1,
29 2015.

30 Sec. 3. APPLICABILITY. This Act applies to tax years
31 beginning on or after January 1, 2015.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with
34 the explanation's substance by the members of the general assembly.

35 This bill reduces by approximately 10 percent the tax rate

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1 for each of the nine tax brackets of the individual income tax.

2 The current individual income tax rates range from a low of
3 .36 percent to a high of 8.98 percent. The bill changes these
4 rates to a low of .32 percent and a high of 8.08 percent.

5 The bill takes effect January 1, 2015, and applies to tax
6 years beginning on or after that date.